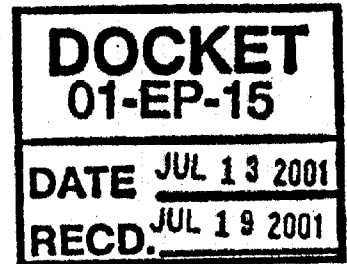


CENCO Electric Company

12345 Lakeland Road • Santa Fe Springs, CA 90670 • Phone (562) 944-6111 • Fax (562) 903-8911

July 13, 2001



Via Facsimile (916) 651-8868 and U.S. Mail

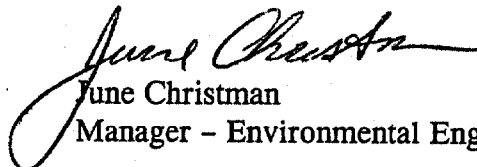
Mr. Kevin Kennedy
Project Manager
California Energy Commission
1516 Ninth Street - MS 3000
Sacramento, CA 95814

Dear Mr. Kennedy:

Enclosed is a copy of a "Will Serve" letter from the Central Basin Municipal Water District for CENCO's Power Plant Project. CENCO submits this letter to satisfy requirement 1.18 of your evaluation checklist provided with the California Energy Commission's July 12, 2001 review of CENCO Electric Company's power plant project. As discussed with you today, CENCO will not be submitting a supplemental information package to the South Coast Air Quality Management District (SCAQMD) today. CENCO will likely modify its proposal to install two General Electric LM 2500 turbine generators that are readily available instead of the Pratt Whitney FT8 TwinPac. CENCO expects to have completed air permit applications to the SCAQMD by July 20, 2001. Because the LM 2500s are readily available, the construction schedule for installing the power plant can be easily accelerated, and will be completed by September 30, 2001.

Please feel free to contact me with any questions you may have.

Sincerely,


June Christman
Manager - Environmental Engineering

JMC:md

Cc: Mohsen Nazemi, SCAQMD via Fax (909) 396-2999
Pang Mueller, SCAQMD via Fax (909) 396-3341
Emmanuel Ruivivar, SCAQMD via Fax (909) 396-3341
John Yee, SCAQMD via Fax (909) 396-3341



Central Basin Municipal Water District

17140 S. Avalon Blvd • Suite 210 • Carson, CA 90746-1296

telephone 310-217-2222 • fax 310-217-2414

July 11, 2001

Ms. June Christman, Manager of Environmental Engineering
CENCO Refining Company
12345 Lakeland Road
Santa Fe Springs, CA 90670

Dear Ms. Christman:

**Recycled Water "Will Serve" Letter for the
Cenco Refinery Power Plant Project**

This letter is in response to Cenco Refinery's (CR) request to Central Basin Municipal Water District (CBMWD) dated July 2, 2001, regarding the CR Power Plant Project (Project) potentially using recycled water for chiller-system make-up purposes at the proposed Project in the City of Santa Fe Springs. Specifically, CR is requesting that CBMWD provide a "will serve" letter in response to the California Energy Commission's (CEC) request for such a letter.

CBMWD will commit to serving recycled water to CR provided the following conditions are met:

- County Sanitation District of Los Angeles (CSDLAC) produces and has available the volume and flow rate requested by CR;
- CBMWD completion of a comprehensive technical and financial assessment of the Project determining the feasibility of supplying the facility with recycled water;
- Recycled water will meet California Code of Regulations Title 22 water quality standards. If additional treatment is required to meet CR's needs, that treatment shall be done by CR or may be done by CBMWD as a supplemental service; and
- Subject to execution of a recycled water customer agreement (contract).

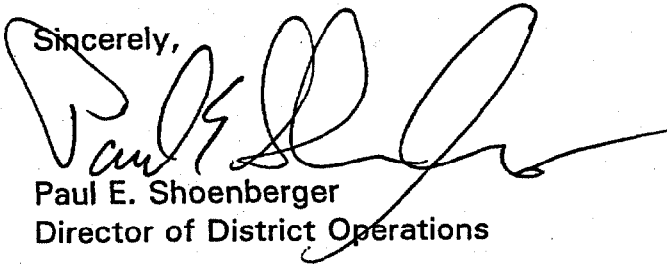
Darryl G. Miller, *General Manager*



June Christman, Manager of Environmental Engineering
CENCO Refining Company
July 11, 2001
Page 2

If you have any questions, please contact Steven Apodaca of CBMWD at
(310) 660-6261.

Sincerely,



Paul E. Shoenberger
Director of District Operations

PS:ss F:\users\shared\word\684cbj11.doc

Enclosure

cc: Robert Apodaca, CBMWD, President
Albert Robles, CBMWD, Vice-President
Paul Shoenberger, CBMWD
Mark Tettemer, CBMWD
Steven Apodaca, CBMWD

